

United States Department of the Interior Bureau of Land Management

Finding of No Significant Impact and Decision Record Environmental Assessment DOI-BLM-UT-9100-2011-0001-EA

June, 2011

May 2011 Oil and Gas Lease Sale

Location: Cedar City Field Office
Iron County, Utah

Applicant/Address: U.S. Department of the Interior
Bureau of Land Management
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Salt Lake City, Utah 84145-0155

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Finding of No Significant Impact / Decision Record Cedar City Field Office

INTRODUCTION:

The Bureau of Land Management (BLM) has conducted an environmental analysis (DOI-BLM-UT-9100-2011-0001-EA) in order to address 11 lease parcels nominated in the Cedar City Field Office for the May 2011 Oil and Gas Lease Sale, including approximately 18,184 acres in Iron County. The decision is to offer seven parcels comprising approximately 11,969 acres for sale in the May 24, 2011 quarterly oil and gas lease sale and to not offer 4 parcels in their entirety comprising approximately 6,215 acres. The underlying need for the proposal would be met while accomplishing the following objectives:

1. Lease where in conformance with the BLM land use plans and consistent with state and local plans.
2. Protect important wildlife habitats.
3. Protect Traditional Cultural Properties and Indian sacred sites.
4. Mitigate impacts on other resource values, including recreation, soils, and visual resources.

The analysis in the EA attached to this Finding of No Significant Impact (FONSI) and Decision Record addresses the areas proposed for leasing. The no action alternative is also analyzed in the EA.

PLAN CONFORMANCE AND CONSISTENCY:

The proposed action and the no action alternatives have been reviewed and found to be in conformance with the Cedar Beaver Garfield Antimony Resource Management Plan (CBGA RMP), as amended, Supplemental Environmental Assessment for Oil and Gas Leasing, Cedar City District, the Oil and Gas Leasing in the Eastern Portion of the Cedar City Field Office Environmental Assessment, and the associated decisions as discussed in the land use plan conformance statements in the attached EA (Section 1.5, page 3).

FINDING OF NO SIGNIFICANT IMPACT DETERMINATION:

Based upon a review of the EA and the supporting documents, I have determined that the project is not a major federal action and will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as defined in 40 CFR 1508.27 and do not exceed those effects described in the Cedar Beaver Garfield Antimony RMP/Final Environmental Impact Statement (EIS), the Supplemental Environmental Assessment for Oil and Gas Leasing, Cedar City District and the Oil and Gas Leasing in the Eastern Portion of the Cedar City Field Office Environmental

Assessment for the decisions to which this decision is tiered. Therefore, an EIS is not needed. This finding is based on the context and intensity of the project:

Context: The May 24, 2011 lease sale involves approximately 11,969 acres of BLM administered lands in the Cedar City Field Office that by themselves do not have international, national, regional, or state-wide importance. The cumulative impacts of these lease sale parcels have been considered and the parcels involved are about 0.46 percent of the public lands administered by the Cedar City Field Office. Overall, following this sale, if the seven Cedar City lease parcels are sold, about 8.38 percent of the public lands in Utah would be leased for oil and gas exploration and development; currently about 8.35 percent of the public lands in Utah are leased.

Intensity: The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27 and incorporated into BLM's Critical Elements of the Human Environment list (H-1790-1), and supplemental Instruction Memoranda, Acts, regulations and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. **Impacts may be both beneficial and adverse.** The proposed leasing would impact resources as described in the EA. Mitigating measures to reduce impacts to other natural resources were incorporated in the leases through leasing decisions in the current land use plans, and from additional resource protection measures identified in the EA. None of the environmental effects discussed in detail in the EA and associated appendices are considered significant, nor do the effects exceed those described in the existing NEPA documentation for leasing. Should all of the offered parcels be developed they may contribute substantially to local and regional energy supplies. Additional, site-specific NEPA analysis and further mitigation to reduce environmental impacts will be required at the Application for Permit to Drill (APD) stage.
2. **The degree to which the selected alternative will affect public health or safety.** Leasing for oil and gas and subsequent exploration and development is an on-going activity on public lands. With the stipulations and lease notices attached to the leases and the additional NEPA analysis and potential additional protections applied at the APD stage, they will be developed in a way that protects public health and safety. For example, spill prevention plans will be required; drilling operations will be conducted under the safety requirements of Federal Onshore Oil and Gas Orders, and recommended practices of the American Petroleum Institute, including blow-out preventers, well bore casings and other industry safety requirements to protect workers and public health.
3. **Unique characteristics of the geographic area such as proximity to cultural resources and Traditional Cultural Properties, recreation, visual resources, vegetation, and wildlife.** Existing records regarding cultural resources indicate that the density of cultural resources is such that it is likely that a well pad could

be located on each of the lease parcels without adverse effects on cultural resources. The Utah State Historic Preservation Office (SHPO) has concurred with a determination of "No Historic Properties Affected" to cultural resources for these lease parcels.

The following Critical Elements of the Human Environment and Other Resource Issues are not affected because they are not present in the project area: areas of critical environmental concern, BLM natural areas, prime or unique farmlands, wilderness/wilderness study areas, areas with wilderness characteristics, and wild and scenic rivers. See Appendix C of the EA – Interdisciplinary Team Checklist for determinations and rationale for those elements not present, and the identification of issues to be analyzed on page 4 of the EA (1.6 Identification of Issues).

In addition, the following Critical Elements of the Human Environment and Other Resource Issues, although present, would not be affected by this proposed action for the reasons listed in Appendix C of the EA: air quality, environmental justice, , greenhouse gasses, solid or hazardous wastes, floodplains, fuels/fire management, geology/mineral resources/energy production, hydrologic conditions, invasive species/noxious weeds, lands/access, livestock grazing, paleontology, rangeland health standards, recreation, socio-economics, soils, visual resources, water resources/quality, wetlands/and riparian zones, woodlands and forestry, vegetation excluding threatened, endangered, candidate and sensitive species, and wild horses and burros.

The stipulations and lease notices to be added to the lease parcels including standard lease terms under the Onshore Oil and Gas Lease Orders, those developed in the CBGA RMP, and those recommended in the EA, take into account the resource values and appropriate management constraints prescribed in the RMP.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial. There is no scientific controversy over the nature of the impacts. The oil and gas exploration and development that could follow leasing is a routine practice on public lands. The nature of the activities and the resultant impacts are well understood and have been adequately analyzed and disclosed to the public through existing BLM NEPA documents and the EA attached to this FONSI.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks. As stated above, leasing and subsequent exploration and development of oil and gas is not unique or unusual. The BLM has experience implementing the oil and gas program and the environmental effects to the human environment are fully analyzed in existing NEPA documents and the EA attached to this FONSI. Therefore, there are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks.

6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration. Reasonably foreseeable actions connected to the decision to lease have been considered. As stated in the description of the proposed action in the attached EA, a lessee's right to explore and drill for oil and gas, at some location on Standard Stipulation and Controlled Surface Stipulation leases, is implied by issuance of the lease. A lessee must submit an application for permit to drill (APD) identifying the specific location and drilling plan to the BLM for approval and must possess a BLM-approved APD prior to drilling. An appropriate NEPA document is prepared prior to approval of the APD. Following BLM's approval of an APD, a lessee may produce oil and gas from a lease without additional approval. The impacts which may result from oil and gas development from leasing the parcels included in the selected alternative were considered by an interdisciplinary team within the context of past, present, and reasonably foreseeable future actions and, as stated below, significant cumulative effects are not predicted.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership. The interdisciplinary team evaluated the possible actions in context of past, present and reasonably foreseeable future actions. Significant cumulative effects are not predicted. A complete disclosure of the effects, including cumulative effects, of leasing the selected parcels is contained in Chapter 4 of the attached EA.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources. Leasing of the parcels included in the selected alternative will not adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places, nor will it cause loss or destruction of significant scientific, cultural, or historical resources. As discussed in item 3 above, consultation with SHPO has been completed in accordance with Section 106 of the NHPA and the SHPO has concurred with a determination of "No Historic Properties Affected" for cultural resources. Given the requirements of the oil and gas lease orders, the land use plans and the other stipulations placed on the leases, significant scientific, cultural or historical resources would not be significantly affected. Additionally, the following has been included as a formal stipulation on all of the lease parcels subject to this sale:

"This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any

activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated."

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973, or the degree to which the action may adversely affect: 1) a proposed to be listed endangered or threatened species or its habitat, or 2) a species on BLM's sensitive species list. BLM initiated informal Section 7 consultation with FWS on all lease parcels sold since November 2003 in a memorandum to FWS dated December 13, 2004. In that memorandum, BLM committed to attaching to the appropriate parcels lease notices that were designed to manage and protect specific listed species in conjunction with the authority of the ESA and the Standard Terms and Conditions of an oil and gas lease. BLM and FWS have agreed upon the language of the lease notice which will notify lessees of specific species that require protection under the ESA. Based on the inclusion of these lease notices, BLM has determined that leasing "may affect, but would not likely adversely affect" any listed species. BLM received a memorandum from FWS dated December 16, 2004 concurring with BLM's determination. Additional consultation occurred for the California condor in June, 2008 since it was not undertaken as part of the consultation effort in 2004. Since appropriate stipulations and lease notices for protection of wildlife have been included for the parcels to be leased, other special status species also would not be adversely affected. Additionally, the following has been included as a formal stipulation on all of the lease parcels subject to this sale:

"The lease may now and hereafter contain plants, animals, and their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objectives to avoid BLM approved activity that will contribute to a need to list such a species or their habitat. BLM may require modification to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligation under requirements of the Endangered Species Act as amended, 16 U. S. C. § 1531 et seq. including completion of any required procedure for conference or consultation."

10. Whether the action threatens a violation of a federal, state, local, or tribal law, regulation or policy imposed for the protection of the environment, where non-federal requirements are consistent with federal requirements. The sale of the parcels included in the May 24, 2011 lease sale does not violate any known federal, state, local or tribal law or requirement imposed for the protection of the environment. State, local, and tribal interests were given the opportunity to participate in the environmental assessment process. The Paiute Indian Tribe of Utah and the Hopi Tribe have been contacted about these oil and gas lease parcels and have provided written documentation or verbally expressed that they agree with the BLM's determination of "No Historic Properties Affected" as documented in the Interdisciplinary Team Checklist (Appendix

C). In addition, the project is consistent with applicable land management plans, policies, and programs as indicated in Chapter 1, Relationship to Statutes, Regulations and Other Plans, included in the attached EA. Additional consultation and coordination will be required during review and approval of site-specific proposals for oil and gas exploration, drilling and development.

APPEAL LANGUAGE:

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 C.F.R. Part 4 and the enclosed Form 1842-1. If an appeal is taken, the notice of appeal must be filed in this office (at the address shown on the enclosed Form) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition for a stay pursuant to 43 C.F.R. Part 4, Subpart B § 4.21, during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay must show sufficient justification based on the standards listed below. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall be evaluated based on the following standards:

1. The relative harm to the parties if the stay is granted or denied;
2. The likelihood of the appellant's success on the merits;
3. The likelihood of immediate and irreparable harm if the stay is not granted; and
4. Whether the public interest favors granting the stay.

Copies of the notice of appeal, petition for stay, and statement of reasons also must be submitted to the Office of the Regional Solicitor, Intermountain Region, 125 South State Street, Suite 6201, Salt Lake City, Utah 84138, at the same time the original documents are filed in this office.



Authorized Officer



Date